

STATEMENT OF PURPOSE

RS19634

The purpose of this legislation is to create the Idaho Higher Education Stabilization Fund. The fund creates a strategic reserve to be utilized as a mitigation tool to minimize the impact of economic downturns on higher education in Idaho. Funding for this initiative is generated from two revenue sources, flowing into three accounts. The first account is established through the interest generated from the submission of tuition and fees to the State General Account. The second and third accounts are funded through the appropriation of surplus monies in times of economic abundance. The Idaho Higher Education Stabilization Fund will be disbursed at the will of the legislature based upon established allocation practices utilized by the State Board of Education.

FISCAL NOTE

The proposed legislation does not represent expenditure. The impact resulting from this bill is the re-appropriation of interest on revenues from tuition and fees collected and submitted to the State. The funds of approximately \$114,000 are to be transferred out of the General Fund into the dedicated Idaho Higher Education Stabilization Fund.

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